



**MARKETING
COMMUNICATIONS
PLAN | Q1 2018**



THOMA

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Purpose and Background

Under the direction of the NAPEO Board of Directors and with guidance from NAPEO's Marketing-Communications Committee, the Association commissioned research firm Povaddo and marketing communications firm Thoma Thoma to create a research-informed, systematic marketing communications program to help grow the awareness and market share of the industry.

In Q4 2017 and Q1 2018, Povaddo completed qualitative and quantitative research studies with small business owners and managers nationwide. The study comprised online surveys of more than 500 business owners and managers, six focus groups with business owners in Cincinnati and Houston and in-depth telephone interviews with numerous business owners to round out the qualitative findings. Povaddo's research provides evidence regarding PEO awareness, understanding, value proposition, message influences, barriers to adoption and opportunities for market share growth. Research findings are referenced here and are covered in full in a separate report.

In Q1 2108 Thoma worked with Povaddo, NAPEO staff, marketing committee and board members to garner further input to the development of the marketing plan. Inputs included phone conferences, an online survey of members' marketing practices and needs and an insights and implications discussion with the board at its San Francisco planning retreat on March 7, 2018.

*Our review of the research and implications reveals that small and middle-market businesses (SMBs) place high value on addressing four key challenges: the ability to **focus** more on their business goals vs. business administration, **saving** money on operations, **recruiting and retaining** top talent and **growing** the business. PEOs can deliver all of those benefits, and this plan describes how NAPEO can build awareness of that fact.*

In this document we establish the foundation for the plan with a review of the research findings and implications with particular regard to marketing communications.



Alignment with NAPEO Strategic Plan

This plan is designed to support key initiatives in the Association's 2015 multi-year strategic plan, including the **Vision** and **External Communications** statements:

Vision: The **PEO industry is recognized as the best workforce solution for businesses looking to thrive**. Through NAPEO's leadership, professional employer organizations (PEOs) are widely recognized and accepted by American businesses as a mainstream and a sought-after solution for greater business efficiency and effectiveness; removing administrative burdens, reducing liability, and increasing profits. Market penetration has increased dramatically as more businesses understand the value of a PEO to their businesses. CPAs, bankers, and corporate attorneys understand and recommend PEOs to their corporate clients. PEOs are viewed as trusted advisors assisting businesses to succeed.

External Communications: Through our actions we have **doubled public awareness and positive sentiment about the PEO industry**, increased consistent use of industry terminology and messages, increased members' grassroots involvement in public awareness efforts, and increased focus on the most effective targets for expanding industry market share.

Fundamentals addressed in this plan are:

- Key findings and marketing implications from research
- Prioritized target audiences
- Strategies, tactics, calendars and budgets for deploying messages to target audiences
- Success metrics for program accountability



Marketing Implications from Povaddo Research

Povaddo's comprehensive study of opinions, understanding and influences among SMB owners and managers is being circulated broadly within the NAPEO board, marketing committee and membership. In this document we do not restate the entire study; we focus on the **key implications to marketing and communications** for NAPEO.

Unaided + aided awareness = 67%; understanding <15%

Awareness of PEOs is moderate among business owners with 45 percent aware of PEOs and another 22 percent aware of companies that offer a full range or comprehensive set of business and HR related functions. *That is, roughly 2 in 3 participants reported some unaided or aided awareness of the industry and its services.* However, probing further underscores that only 10 percent to 15 percent of business owners surveyed have a true working knowledge of the services provided by PEOs--more than half of participants claiming to be aware of PEOs only name one or two business functions that they handle.

Implication: *Doubling awareness of the industry and cementing its members' reputation as leading counselors and advisors will require significant long-term investments of human and financial capital. Even more important than awareness alone is greater understanding of the value created by PEOs, which demands consistent, multifaceted communications demonstrating the benefits delivered by the industry.*

Benefits persuasive, but moderated by incredulity and imperviousness

The PEO description and documented benefits intensify SMB interest. Nearly all business owners surveyed agreed that NAPEO's established PEO description is clear and understandable. Further, business owners agree that the benefit statements (cost savings, business growth, employee retention) influence their consideration of PEO services.

SMBs unfamiliar with PEO services describe greater interest upon learning about them. Among those SMBs expressing some level of interest in the service, learning more about the benefits intensifies the level of interest. However, those initially "not interested" are not persuaded by these benefit statements; they may be by nature impervious to outsourcing or just DIY-oriented. Others



challenge the benefits statements on the basis of “correlation vs. cause,” and will require much greater exposure to the PEO story to develop consideration.

Implication: *The most effective marketing program will seek to identify and engage those SMBs who have some receptivity to the messages; thus the program must engage individuals appropriately along the buyer’s journey. The existing working description of a PEO should be summarized for introductory purposes and focused on the four pillars of value to the client: “focus, save, retain, grow.”*

High-influence relationships identified; predicts “channel strategy”

Trustworthiness of information follows naturally from closeness of relationship: SMBs derive the “most trustworthy information for managing their businesses” from peers and colleagues, then **business advisors such as accountants and attorneys**; next is information acquired from **trade associations and trade media**. Lower on the radar are news sources (online and offline).

Charts: qualitative and quantitative

responses for where SMBs turn for trustworthy information on managing their businesses

Implication: *This underscores the need for NAPEO to communicate the PEO value proposition to the legal and accounting professions, and to work through trade media to tell the PEO story. Further, for direct communication to prospect personae, case studies, client profiles and testimonials are*



effective ways to mimic the social proof of a peer recommendation.

Higher-receptivity client profiles identified; predicts segmentation strategy

Business owners are evenly split on outsourcing. About half demonstrate a general imperviousness to the practice, while the other half either readily embrace it or want to. **Younger business owners (<34 years) and those in younger businesses (<10 years) exhibit higher interest** in outsourcing key business services. Further, the Povaddo study and others identify **particular industry categories and geographic regions** in which PEOs have higher penetration rates.

Implication: *Industries with highest current penetration rates, and younger businesses and owners, should be primary targets for NAPEO's early program development as they will yield the most case studies, track record and familiarity on which to build momentum.*

Key concerns, opportunities, obstacles identified; predicts messaging strategy

A good deal of the research is devoted to what obstacles and challenges the PEO faces in converting a prospect to a customer. SMBs report their primary motivations and worries and identify why they drop out of the sales funnel. Many of these issues are directly addressed by the PEO relationship, but with low awareness and understanding, SMBs don't readily make the connection.

Implication: *Focus messages on the fundamental value proposition to clients, which we distill in this plan to "four pillars of value:" **focus, save, retain, grow**. All messages should be designed to assuage concerns, emphasize opportunity and anchor back to the four pillars whenever possible.*

Emotional benefits v. functional benefits of the PEO; story must be told

The quantitative research provides statistically projectable information, while the focus groups provide nuance and insight. In the focus groups in particular, we see the value of more emotional appeals to the SMB, for example "PEOs allow you to focus on what you love about your business," "PEOs enable you to focus on what you are best at," "PEOs allow you to concentrate on why you got into the business in the first place," "PEOs enable you to experience the success you aspire to."



Implication: *While the PEO industry marketing initiative is a B2B play, we must recognize that SMBs are led by people, and people make decisions with their emotions first, then buttress those decisions with reason. Most of the PEO benefits statements are anchored in data and research; they convey **functional benefits**, not **emotional benefits**. Our communications effort must draw out and illustrate for prospects the emotional benefits of a PEO engagements.*

SMBs learn of PEOs from multiple sources; predicts media strategy

Business owners familiar with PEOs were most likely to learn about them **through a friend/colleague** or **reading about them in an article**. Nearly 60 percent of larger business learned about a PEO in an article while smaller businesses were much more likely to learn about them from a friend or colleague. Adding categories **yields 51 percent who learned of PEOs from some media source**, by a significant margin the most common means of discovery.

Implication: *What's needed now is better information and more of it. While the industry cannot afford to rely on any single approach, channel or medium to build its reputation, if it wants to focus its efforts, it will do so in a concerted media relations program. Stronger social media and online content will help more prospects "discover PEOs online." All of these activities in concert will drive word-of-mouth.*

"Hot button" issues identified: "cost," perceived value, employee relationship, "control"

Business owners' primary concerns are related to the financial and growth aspects of their business, followed closely by concerns about employees--recruiting, retaining, legal compliance and their general well-being. The employee relationship is a top consideration for all their business decisions, including outsourcing business functions. Regarding consideration of PEO services, business owners are concerned first about costs and second about the impact of hiring a PEO on their employees.



Implications: *SMBs will require reassurance and confirmation that turning over part of the employment relationship to a qualified expert will build employee confidence and experience, and not erode it. They will have to recognize that while the PEO value proposition is complex and nuanced--just like their business--the outsourcing relationship unleashes tremendous potential in the SMB. This will be accomplished effectively with case studies, testimonials and business profiles, as much or more so than with statistics and data.*

Cost is the most commonly identified impediment to adoption, yet typical PEO costs are within reported acceptable pricing windows: Nearly half of SMBs responding report cost as the primary barrier to using a PEO, with the balance splitting evenly between control issues and lack of perceived need. At the same time, however, when SMBs are asked to state their cost tolerance, PEO services fall within the reported tolerance.

REPORTED BARRIERS TO USING A PEO



- Among total respondents, fair value for a PEO lies between 2.8 percent and 4.5 percent of total W-2 wages (assuming an average wage of \$50,000 per year) with 6.1 percent being the average point at which it is considered too expensive.
- Larger businesses (101-150 employees) indicate a much tighter fair value window of 3.0 percent to 3.8 percent and 4.9 percent considered too expensive.

Implication: *These two findings further underscore the necessity of the industry's positioning its value proposition more firmly. Greater recognition of the benefits of using a PEO will drive the value perception, helping SMBs overcome their reluctance based on cost. Telling this story effectively will require case studies, testimonials, social proof and other tactics, in addition to the acts and figures found in the PEO benefits statements tested.*



Summary: Implications to be Addressed in the Marketing Program

- Benefits persuasive, but moderated by incredulity and imperviousness
- High-influence relationships identified; predicts “channel strategy”
- Higher-receptivity client profiles identified; predicts segmentation strategy
- Key concerns, opportunities, obstacles identified; predicts messaging strategy
- Emotional benefits v. functional benefits of the PEO; story must be told
- SMBs learn of PEOs from multiple sources; predicts media strategy
- “Hot button” issues identified: “cost,” perceived value, employee relationship, “control”



Target Audiences

Based on the research findings and earlier studies referenced in NAPEO's white papers, this plan recommends targeting SMBs in those industries in which PEOs have the highest current penetration rates, and those SMBs reporting highest consideration rates for outsourcing and PEOs. These industries and personas still have relatively low penetration rates with significant potential for market share growth.

- Small Business Owners:
 - Computer/IT **22%***
 - Finance/insurance/real estate **19%**
 - Management/administration/consulting services **15%**
 - Retail/wholesale trade **13%**
 - Professional services **8%**
 - Manufacturing **7%**
 - Construction/engineering **6%**

** Industry penetration rates for PEOs reported by Brown Gibbons Lang, "Business Services Insider: Spotlight: The Breakout of the PEO Industry," July 2015, p. 2*
- Influencers/Trusted Advisors:
 - Lawyers
 - CPAs
- Business owners most persuadable to PEO use (younger owners 25 to 34, and new businesses less than 10 years old)



Objectives

The objectives of this marketing plan are twofold in service to growing market share for the industry in the U.S.:

- **Objective 1:** Increase awareness and understanding of PEOs and the value they provide, creating a stronger reputation for the industry
- **Objective 2:** Equip NAPEO members with data and tools to consistently tell the PEO story, and with a common language to speak in concert as an industry

Objective 1: Increase awareness and understanding of PEOs and the value they provide

Strategy 1: Create a simple, memorable positioning statement and common language for the industry:

Develop a simplified definition of the PEO industry (and therefore its members) that focuses on benefits to employer and employees. Use this common language to articulate the industry positioning of trustworthy, knowledgeable consultants and implementers, distilling the value proposition to the fundamentals. Use this descriptor in all introductory level communications; use the current 150-word description for more detailed discussions and media pitches.

What we are:

PEOs: America's Human Resources Partner

"America's Human Resources Partner" utilizes terms our audience understands and searches for online. It emphasizes a trusted relationship rather than a vendor relationship.

The value we create:

PEOs help you focus, save, retain and grow.

These statements are the four pillars of value created by PEOs for their clients and highlight why PEOs exist: to help businesses focus on their core, save money in HR administration, attract and retain great talent and grow revenues and profits.



Distilled into a positioning phrase:

Finally, NAPEO should propagate a direct, memorable phrase to position the industry (not the Association). It should be simple, memorable and capable of adopting greater meaning over time.

Suggestions include:

America's PEOs: Resourcing Human Resources

America's PEOs: Human Resourcefulness

Strategy 2: Position PEOs as expert resources in human resources, benefits administration and compliance:

Using a thought leadership and “expert marketing” approach, establish PEOs and the PEO industry as experts and thought leaders in employee benefits, compliance and administration. This will naturally entail leadership of NAPEO as the voice for the industry; the focus remains on the industry, its players and the value they create, and not on NAPEO staff or the organization.

Tactic: Develop and present the NAPEO CEO and senior staff as national thought leaders and expert voices for the PEO industry; rely on board officers and member representatives as well for positioning and messaging. This tactic will be carried out using channels in combination:

- Traditional media relations using trade and professional media that are credible to target SMBs.
- Social media relations, with particular emphasis on a LinkedIn network and content strategy.
- Speaking engagements to generate awareness and word of mouth among trusted advisors
- Writing original content with the PEO point of view, publishing through owned, earned and shared media channels

Tactic: Increase awareness with subject matter experts and influencers: Identify and cultivate subject matter experts (SMEs) who can serve as influencers to prospective clients — particularly those who have their own blogs, newsletters, or other channels and are looking for useful content.

SMEs and influencers may include business lawyers, CPAs, and HR specialists; small business journalists, bloggers, podcasters and vloggers; and, other small business consultants and owners who are widely



known and respected in the same field as the target audiences. NAPEO must provide SMEs with story lines and proof points, encourage them to tell the PEO story, and make it easier for these messengers to share their PEO experiences with their audiences. Effective work here will create a larger universe of SMEs and trusted advisors whose own messages corroborate PEO messages to the target client base.

Specific story ideas and themes may include:

- How PEOs help free business owners to focus on business growth, operations and development by delegating more human resource work to specialists; this will require a calculated combination of testimonial anecdotes, case examples and data.
- Documented real-world gains in business activity, revenues, profits, increased employee retention, lowered costs such as more favorable health care premiums or similar outcomes, using testimonial anecdotes and data from business owners who are PEO clients.
- Documenting or describing reduced regulatory risk such as health care coverage compliance, equal opportunity and diversity compliance, drawing on advice of SMEs in labor law, human resources, and sharing real-world examples from their practices or from their clients.

In general, when sharing information with SMEs and trusted advisors it is preferable to keep content concise — typically, 500 words or less, unless the recipient or media channel calls for more extensive comment; brevity appeals to SMES as well as busy owners and managers. Include real-life examples to help readers visualize themselves in the story; and ensure the information is useful to the target audience of small business owners. Incorporate one or more of the “focus, save, retain, grow” messages into every item shared with SMEs and influencers.

Tactic: Develop and pitch Speaker’s Bureau of experts: Identify and train one or more NAPEO representatives to deliver presentations to targeted audiences. Be willing to be a panelist as well as a keynote speaker. Speaking engagements are valuable in several ways:

- Word-of-mouth: In effect, speaking at national or regional conferences or participating in professional panel discussions helps establish NAPEO spokespeople as subject matter



experts. Audience members will remember and repeat at least some of the NAPEO information, and will be better prepared to receive a PEO marketing overture.

- Speaking engagements create new content for traditional and social media channels: Virtually every infographic, slide deck or speaker's remarks created for a live presentation can be reused in other media channels. Video and audio recordings can be edited for vlogs, podcasts or YouTube. Infographics and slide decks can be shared online via website, LinkedIn or Facebook, and with traditional print journalists. Snippets of NAPEO speakers' remarks and materials can be tweeted.

Several NAPEO staff members have backgrounds in communications, marketing, government affairs, the courtroom and other venues where public speaking and persuasive skills are essential. Transfer these skills to a NAPEO speaker's bureau (with additional skill training as needed) so that several NAPEO representatives are prepared to deliver presentations to targeted audiences.

Ideal forums include targeted business conferences and conventions, remarks to major civic organizations populated by members of the target business sectors, entrepreneur organizations, TEDx, and professional education seminars.

- Be willing to be a panelist as well as a keynote speaker, or even participate from the audience if necessary to establish early awareness and build relationships with organizational leaders. Managed effectively, this can position NAPEO to ladder-up to a place onstage, or as a contributor to a trade journal.
- Rely on high-quality presentation templates, media kits, and other supporting materials to reinforce the professionalism of NAPEO and PEOs.
- Identify a number of venues for speaking engagements, set goals and create a speakers' calendar. A reasonable goal would be a minimum of six presentations or panel discussions in the first year, ramping up as team skills develop and new opportunities are identified. Where possible, draw on NAPEO staff members' current or past career experience to match speakers with topics and audiences.

Suggested speakers and topics/venues:



- **Pat Cleary:** trade and professional groups representing all target SMB audiences.
- **Melissa Viscovich:** all audiences, perhaps with emphasis on trade and professional groups for manufacturers, technology, management/administration/consulting, COOs, CFOs and HR leaders.
- **Farrah Fielder:** focus on professional groups for attorneys, accountants, CFOs and the professional services industry; participate in panels and programs addressing workers comp, tax law, risk management and other HR issues that can be managed by PEOs.
- **Kerry Carruthers:** focus on trade and professional groups for manufacturers, COOs and HR leaders; seek speaking engagements or participation opportunities at business news media seminars as well as conferences and events for specific professional organizations.
- **Thom Stohler:** focus on organizations representing CFOs, HR professionals; also, trade groups for technology firms, construction/engineering firms and manufacturers.
- **Daniel Harris:** focus on professional organizations for attorneys, HR, accountants, and potentially others concerned with compliance issues.
- **Melissa Kelly:** focus on professional organizations for attorneys, HR, accountants; and panels and conferences frequented by business news media organizations.

Strategy 3: Build momentum in highest propensity verticals

Rome wasn't built in a day, and neither is national reputation and credibility. Begin where PEOs already have the strongest track record to build on — in specific targeted verticals, identified by current PEO penetration and receptivity to the PEO value proposition. Use a channel strategy to focus on awareness within targeted industry verticals and the young business owner demographic — those audiences demonstrated by research to be most amenable to PEO adoption. “Kick the flywheel” by showcasing success stories, featuring PEO clients and customizing the PEO story to that industry's specific needs, with the intent of leapfrogging to similar industries as the momentum builds.

Tactic: Target highest propensity industries, audiences and communication channels for concentration. The Brown Gibbons Lange report, July 2015, reports the industries with greatest penetration by PEOs:



Computer/IT **22%**
Finance/insurance/real estate **19%**
Management/administration/consulting services **15%**
Retail/wholesale trade **13%**
Professional services **8%**
Manufacturing **7%**
Construction/engineering **6%**

The highest circulation trade magazines, highest membership associations and top attended conferences addressing these industry verticals are identified in the appendix of this plan. While this list is not exhaustive, it represents the highest aggregation of readers and members in the stated verticals and is an appropriate place to begin. The appendix also includes top media outlets reaching younger business owners and younger businesses, identified in the research as more amenable to outsourcing and PEOs than the general SMB audience.

Tactic: Develop a media relations program that will generate earned media impressions in traditional, digital and social media; focus initiatives in targeted verticals and audience segments.

Earned media

Go where the clients are: identify the professional/trade groups for engagement; offer content to sector-specific print and online publications, journals and newsletters, as well as SME blogs, vlogs, podcasts and other communication channels that are followed by the target business sectors. Develop and place earned media content in these media channels to reach target audiences. (See media lists in appendix.)

Traditional print media: Identify specialty, professional and trade publications that address targeted business sectors; understand their editorial point of view and content requirements; build relationships with key editors and reporters -- ask what interests them and how they like to receive story ideas, then propose ideas and share information that feeds their need.

Produce bylined commentaries and/or story ideas to pitch to editors and key reporters. The NAPEO CEO and senior staff members are ideal authors of these commentaries. Senior staff may be preferable in



some cases; for example, when writing for an audience of attorneys, the author's law degree can add credibility. NAPEO Board members and leaders of member companies may be good choices to partner with NAPEO staff to co-author some commentaries, with the understanding that messages must continue to speak for the PEO industry rather than a single firm.

In a similar vein, look for opportunities to share bylines with SMEs and even PEO customers; these co-authors can bring their own credibility to the conversation.

Offer NAPEO staff members as SMEs to be quoted in relevant articles, even when those articles are not primarily concerned with PEOs (e.g., an article describing the trend to contingent workforces could include several paragraphs about PEOs with a relevant comment from a NAPEO staff member).

While this plan focuses on national media relations, some major metropolitan markets have well-read and respected local/regional publications that may warrant consideration. For example, Crain Communications has business news magazines in Chicago, New York, Detroit and Philadelphia in addition to a national publication. These and similar large regional publications have both print and digital editions with daily e-newsletters that focus on readers' specific interests. When working with regional media outlets, localize and personalize stories to improve reader appeal whenever possible.

Digital and Social Media: This category includes online trade media, business-centric blogs and vlogs, podcasts, Facebook, LinkedIn, Twitter, YouTube and other channels. Surveys indicate that 80 percent of small business owners (under 200 employees) use social media for networking, business development, management information and other purposes. A survey has found that LinkedIn, Facebook, Twitter and YouTube are the most widely used and highly regarded social platforms, in that order of usage.

A primary recommendation for NAPEO is to develop a LinkedIn-specific communication plan and content calendar. Special focus on LinkedIn is warranted by these and other data points published between 2014-2018:

- 133 million users in U.S., 500 million globally
- 30 percent of SMB owners use LinkedIn most regularly among leading social platforms
- 41 percent of SMBs say LinkedIn is most likely to aid their business
- 40 percent of users check LinkedIn daily



- 59 percent of users have always worked in small firms (under 200 employees)
- 13 percent of Millennials use LinkedIn
- 80 percent of social media B2B leads come through LinkedIn
- All PEO target audiences are on LinkedIn: SHRM has 269,000 followers; Linked:HR has 970,000 followers; 5.5 million accountants, 829,000 attorneys and 958,000 retail SBOs are on LinkedIn

Recommendations to create a highly effective LinkedIn presence are:

- **Be customer-centric:** focus all content around one or more of the four value pillars of “focus, save, retain, grow.”
- **Bring a point of view:** produce and publish original content or offer a unique viewpoint on reposted or linked material from other sources; position NAPEO as a thought leader, and keep customer values in the forefront by tying every message to the value pillars.
- **Be consistent:** create an editorial calendar of publication dates and topics, so that followers become accustomed to reading NAPEO content at the same interval. Set a frequency that is achievable; e.g., start with a weekly posting, even if it is only a few paragraphs of insight and useful information.
- **Be engaging:** invite followers to comment, question, offer ideas, share solutions and maintain point of view.
- **Be social:** follow other SMEs and LinkedIn groups that are popular with target NAPEO target audiences; contribute to those conversations; on a selective basis, invite SMEs to write for NAPEO.

Adapt the LinkedIn model to other social media platforms, particularly Facebook, which has been identified by SMBs as the second-most used and effective social platform. The following recommendations apply to all social media platforms, channels and social media outlets:

- For each targeted client sector, identify several trusted digital media outlets that are amenable to PEO-related information (see media list in appendix). Identify and contact key editors and reporters or columnists to learn the kind of information they seek for their articles. Offer



content — guest commentaries, suggested topics and proof points, NAPEO staff as SME interviewees, infographics and other content that appeal to that outlet’s target audience.

- Develop a NAPEO presence in all social media channels (e.g., LinkedIn and Facebook are good for short commentaries; YouTube is a way to present short video excerpts of presentations to business groups as well as employer and SME testimonials).
- Distill and reuse information from speaking engagements, traditional news coverage and other sources. Even a few paragraphs about the PEO industry in a major news outlet can warrant a mention by NAPEO. Use the NAPEO website, LinkedIn, Facebook and Twitter accounts to promote and share earned media coverage received from traditional media; repost infographics and slide decks that were used with oral presentations; post video clips from media interviews, conference presentations and speeches on YouTube.
- Expand the reach of NAPEO by joining or following targeted groups on Facebook and LinkedIn (for example, SHRM, which has more than 223,000 followers on Facebook and 269,000 on LinkedIn); make selective and relevant contributions to the group conversations; work to build awareness, answer questions, and promote links to useful articles and commentaries. This dialog will attract more business professionals to the NAPEO website and social sites.

Be prolific and consistent: develop editorial calendars for outreach to SMEs, and for traditional and social/digital media engagement — and adhere to them. Recommendations: Develop and post at least 1 employer-centric item per week on NAPEO social media, delivering one or more of the “focus, save, retain, grow” messages. Promote these posts using Twitter; most journalists follow Twitter for story ideas and over time they will call on NAPEO as a trusted and quotable source.

Build relationships with social and traditional media writers; ask about their interests and how they prefer to receive information. With this insight, pitch at least two targeted media outlets per month, and more when possible.

Tactic: Leverage NAPEO’s and members’ participation in public or professional programs. Promote NAPEO participation in any public or professional program through earned, owned, and paid media, drawing attention to NAPEO’s contribution to the discussion. Note, some host organizations may place



guidelines or limits on what presenters can share with non-participants; this must be addressed on a case-by-case basis. Assuming no restrictions, NAPEO should:

- Publicize its participation prior to the event through NAPEO website, Facebook, Twitter, LinkedIn or other channels
- Post and tweet from the venue, focusing on messages that position NAPEO as a thought leader engaged alongside other SMEs
- Record presentations and panel discussions and edit for reuse in vlogs, YouTube videos and other channels
- Share insights and takeaways in subsequent digital media posts (website, vlogs, YouTube, podcasts, Facebook, LinkedIn posts) and in traditional media contacts after the event
- While these tactics are aimed at prospective client audiences, they can be instructive for NAPEO member firms. NAPEO member companies may want to share NAPEO content with their clients on a selective basis; alternatively, NAPEO messaging and information can be a source as these firms develop and manage their own outreach and marketing programs

Strategy 4: Influence the advisors

Accountants, lawyers and other trusted business advisors are identified in the research as highly influential to SMBs in their thinking about PEOs. Accounting firms and law practices also fall into the potential growth sector of “professional services,” currently standing at 8 percent market penetration. To inform and educate business advisors more fully on the value of PEOs to their SMB clients, pursue a similar industry vertical strategy to expose these professionals through trade media, associations, conventions and blogs.



Tactic: Identify highest circulation industry media outlets, top associations and conventions and highly influential online outlets (blogs, websites or e-zines/e-letters) to target with customized content. Research-based information and content developed for targeted industry verticals will be pivoted to speak particularly to attorneys and accountants.

Strategy 5: Aggregate content into a client-focused, content-driven marketing microsite

The NAPEO.org website is primarily directed to the industry; a modest amount of content housed there is suitable and interesting to prospective PEO clients. This of course is appropriate for a membership organization, but it will fail to attract and engage SMB visitors who begin learning about PEOs via our more aggressive marketing and public relations initiatives. A client-oriented microsite should be developed to aggregate and present the significant amount of news coverage, research, insight and useful information that NAPEO's marketing communications program will develop and distribute.

Tactic: Use inbound marketing best practices to create a high ranking, search-friendly site that draws SMBs online for useful, practicable and actionable resources provided by the nation's voice of the PEO industry. Organize content to support the value proposition of the PEO and provide means by which visitors can subscribe to regular updates. Regularly populate the site with fresh material, blog posts, research reports, white papers and compliance updates. Promote content resources on the site with regular social media posts and paid social advertising as warranted. Allow members to provide guest content and actively build backlinks between members sites and the microsite. Configure marketing automation software in order to generate conversions on site and nurture subscribers with information that supports the PEO value proposition.

All content elements mentioned throughout this plan will ultimately be housed on the microsite — from news articles to speeches to case studies, infographics and client profiles or testimonials. The significant national PR and marketing program described in this plan will create volumes of useful, attractive material to be housed on the microsite. Such content draws significant search traffic and engages prospects in learning more about the PEO value offering. Visitor traffic and usage will provide significant data to the organization regarding the reach and effectiveness of its program.



Objective 2: Equip NAPEO members to tell the PEO story and speak with a common language

A membership survey of company and marketing executives (see appendix for full survey) underscores that the membership most utilizes and values research, white papers, data and analytics coming from the Association. The member marketing toolkit should emphasize tools and information of this nature. The following questions from the survey underscore the point:

Q.: Among the marketing and sales support tools provided by NAPEO to its members, which have you utilized? Select all that apply.



Q.: Among the NAPEO marketing and sales support tools you have utilized, which have you found most effective? Please rank from greatest to least in order of effectiveness.



Strategy 1: Build online resource portal for use by members

A library of resources should be housed in an online, members-only region of the NAPEO.org website. NAPEO members are experienced and sophisticated in their use of marketing techniques; they report high use of inbound marketing, marketing automation, social media and SEO. About two-thirds report having effectively developed niche or category expertise and referral programs with attorneys and CPAs. The focus of the members' resource portal is not to teach members how to market their organizations, but to provide high leverage, convincing and useful data, resources and information that can feed their own initiatives.

Among the resources recommended for development and distribution through the members' portal are materials that speak to each of the Four Pillars of Value.

- White papers and similar commissioned research studies, buttressed by significant numbers of digests, infographics and abstracts that make the information more accessible and "bite-sized"
- Social media posts and graphics derived from research reports and academic studies commissioned by the association
- Blog posts covering findings from research reports, providing expert insight and guidance (e.g. from NAPEO legal or governmental affairs resources)
- News article reprints suitable for sharing
- Guest commentary and guest blog posts suitable for customization by the member and to be distributed locally or posted as guest blogs (e.g. on chamber sites or submitted to local business papers)
- Presentations/decks discussing research findings

Strategy 2: Develop and distribute a signature annual survey

As a leading expert in human resource management and administration, the industry can garner attention via an annual commissioned survey of SMBs. The survey will track attitudes, opinions, concerns and practices relating to the Four Pillars of Value offered by PEOs. Titled, for instance, the "NAPEO Small Business Barometer," the proprietary study will create a cascade of news media mentions, social media engagement and opportunities for NAPEO leadership to speak to the primary concerns of America's small business community. Distribution of the Barometer's annual results will



be through all of the earned media, speaking, online and social media tactics described throughout the marketing plan.

Strategy 3: Create and distribute a steady stream of use cases and proof statements

Research underscores the importance of social proof to the SMB. Their most highly trusted sources of information are peers and professional advisors. Marketing content can provide significant resources to the members to support social proof — delivered via use cases, client profiles and testimonial or documentary style videos. These use cases should feature clients from targeted industries and geographies to leverage the focus and success in these industries. For national use, they should not mention the specific PEO providing services, but as a service to the PEO member, a version may be cut that mentions the member. Use cases will focus the message on the Four Pillars of Value. Along with profiles, the video series may include a number of explainer videos or documentary-style explorations of what it means to work with a PEO and what the white paper series demonstrates about benefits of using PEOs.

Prospective topical areas to cover in use cases and videos are:

- The employee experience in transitioning to PEO
- The employer's experience in transitioning to PEO
- The employer's documented results from use of the PEO — retention, savings, growth
- How PEOs have exceeded expectations in delivering results in the organization
- Exploration of the fee structure of the PEO and how it compares to in-house services

Strategy 4: Sales and marketing webinars or training guides

Research underscores the importance of earning the confidence and referrals of trusted advisors. This plan underscores the imperative of positioning the PEO industry as expert advisors to SMBs. Marketing the expert firm and garnering referrals are specific disciplines that PEO members may want to develop. NAPEO can develop a series of training tools (videos or guides) that provide expert advice and resources to develop these skills. A series of "interviews with the experts," conducted by Pat Cleary or Kerry Carruthers, may likewise provide members helpful insights and techniques. In each of these executions, it is critical that the work be anchored in the research so that material is driven by the insights garnered in the extensive study of SMB interests and drivers.



Program Performance Measures

Every marketing program must include relevant metrics so that the organization can monitor, report and optimize performance and ROI. The NAPEO marketing program will be measured against a shortlist of key performance metrics. While no specific targets are established in this plan, it is reasonable to set goals congruent with the Association's strategic plan. In year one, the Association should begin by benchmarking values (where do we stand today) and measure progress for the first year, then build annual performance targets into each subsequent year's plan.

Recommended program performance measures include:

- **Impressions achieved**, tracked via website and social media analytics and paid/earned media measures. *This metric expresses the reach of the program in very broad terms.*
- **SMB awareness** of PEOs, tracked via studies such as those completed by Povaddo and McInturff. Benchmark awareness in Povaddo is 44 percent, with 10-15 percent able to accurately state PEO services. *This metric expresses the success in reaching and informing target audiences.*
- **Aggregate wage base** of NAPEO members, tracked by NAPEO; perhaps corrected for CPI and flux in membership to create a multi-year trend line. *This metric expresses the gross financial performance of the industry subset that is the membership.*
- **Member satisfaction** with NAPEO marketing initiatives and resources, tracked via addition of a question to the regular membership survey. *This metric expresses the program's perceived effectiveness in satisfying members' expectations of marketing support and performance.*



APPENDICES

Appendices are provided as linked documents.

Members marketing practices and needs assessment: [click here for document](#)

Targeted media, associations and events: [click here for document](#)